

Chair:
David Grant

Commissioners:
Brenda Holden
Fran Holmes
Dave McClung
Jonathan Wicklund



**Economic Development
Authority
April 25, 2016
6:00 p.m.
City Hall**

Address:
1245 W Highway 96
Arden Hills MN 55112

Phone:
651-792-7800

Website:
www.cityofardenhills.org

City Vision

Arden Hills is a strong community that values its unique environmental setting, strong residential neighborhoods, vital business community, well-maintained infrastructure, fiscal soundness, and our long-standing tradition as a desirable City in which to live, work, and play.

Agenda

CALL TO ORDER

1. APPROVAL OF AGENDA

2. APPROVAL OF MINUTES

2.A. January 25, 2016 Joint Meeting With EDC

Documents: [01-25-16-EDA.PDF](#)

2.B. March 28, 2016 Special EDA

Documents: [03-28-16-EDA.PDF](#)

3. NEW BUSINESS

3.A. 2017 Budget Process

Sue Iverson, EDA Treasurer
Dave Perrault, Finance Analyst

Documents: [MEMO.PDF](#), [ATTACHMENT A.PDF](#)

4. UNFINISHED BUSINESS

5. EDA MEMBER COMMENTS

ADJOURN



DRAFT

Approved:

**CITY OF ARDEN HILLS, MINNESOTA
ECONOMIC DEVELOPMENT AUTHORITY JOINT MEETING
WITH THE ECONOMIC DEVELOPMENT COMMISSION
JANUARY 25, 2016
6:00 PM – CITY COUNCIL CHAMBERS**

CALL TO ORDER/ROLL CALL

Pursuant to due call and notice thereof, President Grant called to order the Economic Development Authority meeting at 6:00 p.m.

Present: EDA President David Grant; EDA Commissioners Brenda Holden, Fran Holmes, and Dave McClung (arrived at 6:20 p.m.)

Absent: None

Also present: Executive Director Jill Hutmacher; Senior Planner Matthew Bachler; City Clerk Amy Dietl; EDC Member Dan Erickson; EDC Chair Steve Heikkila; EDC Member David Radziej; EDC Member Liz Johnson; and Jonathan Weinhagen, Vice President of St. Paul Area Chamber of Commerce

1. APPROVAL OF AGENDA

The agenda was approved as submitted.

2. APPROVAL OF MINUTES

A. October 26, 2016

MOTION: EDA Commissioner Holmes moved and EDA Commissioner Holden seconded a motion to approve the October 26, 2015, Economic Development Authority Meeting Minutes as presented. The motion carried unanimously (3-0).

3. NEW BUSINESS

A. Arden Hills Business Retention and Expansion Program

Senior Planner Bachler stated that the Economic Development Authority (EDA) approved a Business Retention and Expansion Service Proposal from the St. Paul Area Chamber of Commerce (SPACC) on January 26, 2015. Over the past year the Economic Development Commission (EDC), community volunteers, and City staff have been working with SPACC on designing and implementing a Business Retention and Expansion (BRE) program. A total of 24 local businesses were interviewed as part of the program, and SPACC has completed an analysis of the business survey results. These results along with a program overview, profile of the business community, and priority areas are included in the BRE Program Report provided in the EDA packet.

Senior Planner Bachler noted that Jonathan Weinhagen, SPACC, would be giving a presentation on the findings included in the BRE Program Report.

Jonathan Weinhagen, Vice President of the St. Paul Area Chamber of Commerce, thanked the Commissioners for their time. He presented the Commissioners with further information on the BRE program. He appreciated the efforts of staff and the EDC members over the past year. He further discussed the results and findings within the BRE program. He provided comment on the profile of businesses within Arden Hills, noting that the majority of the local businesses were either manufacturing, management of enterprises, or administrative and support.

Further discussion ensued regarding how jobs were classified for the businesses within the City.

Commissioner Holden questioned if educational services should be included as a category in the profile of businesses in the City.

Mr. Weinhagen explained that based on the data that was collected, educational services did not come in as one of the top industries by employment.

EDA President Grant requested Mr. Weinhagen investigate the jobs data for educational services further. He indicated that Northwestern's address was in Roseville, but a portion of their property was located within Arden Hills, which would increase the educational services jobs numbers. He discussed how the Pine Tree Drive location for Bethel University would also increase the number of educational services jobs located in Arden Hills.

Mr. Weinhagen stated that he would investigate the data on the educational services sector further and would report back to the EDA. He reviewed the large number of jobs within the community and the importance of mass transit.

Commissioner Holden believed it would be valuable to have additional information on how many employees were visiting local restaurants during the lunch hour, versus those that ate within their corporate campus.

Executive Director Hutmacher reported that the Red Fox area has peak traffic counts at mid-day which suggests restaurants and other local businesses are visited by employees.

Mr. Weinhagen discussed the number of employees that come into Arden Hills on a daily basis, and noted the number of Arden Hills residents that work within the community. He explained that the City was unique given the large number of employees that came into the community on a daily basis. He reported that there was a growing trend for employees to live closer to their work and commented on how this would impact employee populations. He was proud to report that the business community ranked Arden Hills as having an excellent quality of life. He congratulated the Council for setting the proper culture within the business community. Another positive indicator for local businesses was that they are growing, which also grows the employee population.

Mr. Weinhagen indicated that the City had an opportunity to advocate for expanded public transit service. He discussed how this would positively impact local businesses and their employees. He encouraged the EDA to dig into this further, and possibly pursue the extension of the A Line to TCAAP. He then provided comment on the importance of a skilled workforce.

Commissioner Holden questioned how the City could get involved in growing the local skilled workforce.

Mr. Weinhagen stated that he believed that the City should work to have the right resources and relationships established and in place to point companies in the right direction to find skilled laborers. The City should work to leverage employees for its local businesses.

Commissioner Holden saw the importance of extending the A Line up Lexington Avenue and not just to TCAAP, given the number of major employers in Arden Hills.

Executive Director Hutmacher stated that staff and the Chamber have been involved in conversations about incremental expansion of the A Line to service these companies and their employees.

Mr. Weinhagen encouraged the City to continue having conversations regarding transit and for the Council to ramp up its knowledge in this area.

Commissioner Holmes did not believe that recommendations were provided for all of the comments received from the businesses. She understood that the City needed more restaurants but did not believe the City was lacking in part-time help.

Mr. Weinhagen commented that he could work to identify further recommendations. He discussed the importance of City staff and the EDC to continue its communication and visits with local businesses.

EDA President Grant thanked Mr. Weinhagen for his thorough report to the EDA.

B. 2015 EDC Report and 2016 Work Plan

Executive Director Hutmacher stated that the Economic Development Authority approved the 2015 EDC Work Plan at the January 26, 2015, joint meeting with the Economic Development Commission. The EDC made significant progress on its 2015 goals as summarized as follows:

New Member Recruitment

- Three new members have been appointed to the EDC in 2015.

Business Retention and Expansion Program

- Recommended to the EDA that the City obtain consulting services from the St. Paul Chamber of Commerce (SPACC)
- Worked with SPACC to compile a list of all businesses in the City of Arden Hills
- Created an interview questionnaire
- Selected businesses to interview based on industry and job growth
- Participated in BRE interviews
- Monitored process of BRE program
- Received the Leaders in Local Government Award from the St. Paul Area Chamber of Commerce in the category of Business Retention and Expansion

Marketing and Outreach

- Worked with the Communications Committee to assign business-related newsletter topics
- Edited, finalized, and posted the City Video Tour on the City's website and YouTube channel
- Provided feedback on installed Gateway Signs and possible locations for additional signs
- Planned and promoted State of the City events on September 29 and October 1

Executive Director Hutmacher explained that the EDC approved a 2016 Work Plan on January 6, 2016.

Staff requested that the EDA review and approve the work plan.

Commissioner Holden questioned if the State of the City was still worth the time invested in the event.

Executive Director Hutmacher stated that this was evaluated mid-year by the EDC and the City Council on a year-to-year basis.

Commissioner Holmes thanked staff for the thorough report. She suggested that the Council check in with its local businesses to see why they are not attending the State of the City.

Executive Director Hutmacher discussed the small business series of workshops that were being planned by the City that would encourage community engagement with local businesses.

EDA President Grant asked if the EDA Commissioners had any input on the EDC work plan.

Commissioner Holmes suggested the revolving loan fund program be made a very low priority.

4. EDA MEMBER COMMENTS

None.

5. ADJOURN

MOTION: EDA President Grant moved and EDA Commissioner Holden seconded a motion to adjourn the Economic Development Authority meeting. The motion carried unanimously (4-0).

EDA President Grant adjourned the Economic Development Authority joint meeting with the Economic Development Commission at 6:58 p.m.

Jill Hutmacher
Executive Director

David Grant
EDA President



DRAFT

Approved:

**CITY OF ARDEN HILLS, MINNESOTA
SPECIAL ECONOMIC DEVELOPMENT AUTHORITY MEETING
MARCH 28, 2016
6:00 PM – CITY COUNCIL CHAMBERS**

CALL TO ORDER/ROLL CALL

Pursuant to due call and notice thereof, President Grant called to order the special Economic Development Authority meeting at 6:00 p.m.

Present: EDA President David Grant; EDA Commissioners Fran Holmes, Dave McClung and Jonathan Wicklund

Absent: EDA Commissioner Brenda Holden (excused)

Also present: Treasurer Sue Iverson; Executive Director Jill Hutmacher; Senior Planner Matthew Bachler; and City Clerk Amy Dietl

1. APPROVAL OF AGENDA

MOTION: EDA Commissioner McClung moved and EDA Commissioner Holmes seconded a motion to approve the meeting agenda as presented. The motion carried unanimously (4-0).

2. APPROVAL OF MINUTES

A. January 25, 2016

MOTION: EDA Commissioner Holmes moved and EDA Commissioner Wicklund seconded a motion to approve the January 25, 2016 Economic Development Authority Meeting Minutes as presented. The motion carried unanimously (4-0).

3. UNFINISHED BUSINESS

A. Business Retention and Expansion Program

Senior Planner Bachler stated that the Economic Development Authority (EDA) reviewed the Business Retention and Expansion (BRE) Program Report completed by the St. Paul Area Chamber of Commerce (SPACC) on January 25, 2016. The EDA requested that the data related to the NAICS industry categories be reviewed to ensure that the number of educational service jobs in the City was accurately represented. Additional revisions to the report included an update to the employee migration data and the inclusion of sources for the data used. Staff is requesting that the EDA review and adopt the final draft of the BRE Program Report.

Senior Planner Bachler indicated that the Economic Development Commission (EDC) discussed the recommended next steps in the BRE Report at their meeting on March 2, 2016. Based on the feedback provided by the EDC, staff worked with SPACC to identify the priority projects the City may want to focus on over the next several months. Staff is requesting that the EDA review the draft implementation plan for these projects and provide comments. Staff expects to begin working with the EDC on the projects at their next scheduled meeting in May.

Jonathan Weinhagen, Vice President of SPACC, presented the BRE Program Report and the draft Priority Projects Implementation Plan in further detail with the EDA. He drew attention to the changes that were made to the report regarding jobs and job changes in Arden Hills. He provided comment on his findings regarding educational service jobs. He reviewed the feedback received from the EDC.

EDA President Grant understood that education and health services were tied together. He questioned if these two sectors could be separated.

Mr. Weinhagen indicated that SPACC could work to break down this information into subsectors and micro datasets.

EDA President Grant indicated that 24 companies were visited to assist with the drafting of this plan. He asked if the City would be keeping in touch with any of these businesses based on their needs. He commented that he did not want the City to be dealing with another Smiths Medical situation.

Mr. Weinhagen stated that this would be an ongoing discussion of how the City continues to engage with businesses and how it can identify sustainable businesses going forward.

Commissioner Holmes requested further information from staff on the recommendations being made at this time.

Senior Planner Bachler explained that the BRE Report included recommendations for four projects the City could work on: continued engagement in transit improvement conversations; fostering relationships with local colleges to address workforce training; tracking companies that are planning or positioned for growth; and establishing a plan for ongoing BRE visits. He noted that as a follow-up to these formal recommendations, SPACC has prepared a draft

implementation plan for the priority projects identified by the EDC. Staff is requesting that the EDA provide comments on the draft implementation plan.

Mr. Weinhagen added that the recommendations listed in the BRE Report were generated out of conversations that were held with the business community.

Commissioner Holmes supported the recommendations and understood that there was a need for rapid transit. She believed that the provided goals or priorities were realistic, but should be more focused.

Mr. Weinhagen understood that much of these goals could not be achieved in one year. He added that having an implementation plan would help the City move forward in addressing these goals.

EDA President Grant commented on the recommendations and believed that the transit line was TCAAP related. He believed recommendation #3 would be good for the City to track.

Executive Director Hutmacher indicated that the recommendations were based on national best practices for BRE.

Mr. Weinhagen encouraged the Council to consider the document as a report based on community research and not as a plan that needed implementation.

Commissioner Holmes believed that the priorities should be tied to the report. She did not support all of the recommendations being made in the report and thought there was a disconnect.

Commissioner Wicklund stated that he saw the document as a compilation of information by an outside consultant who is providing the Council with a report that should be received and adopted. He indicated that a second step for the Council would be to review the priority projects and respond.

Commissioner McClung agreed with this assessment and discussed his view on the report. He did not believe that the City had to follow each of the prescribed recommendations, but rather could review and analyze the report and decide how to move forward as policymakers. He supported the Council accepting the document and was in favor of setting its own priorities at a future time.

Commissioner Wicklund was in agreement with this direction of the Council.

Commissioner Holmes commented that she would not be voting to accept the report.

Further discussion ensued regarding the recommendations within the report.

EDA President Grant stated that perhaps the Chamber of Commerce should have brought forward a list of ideas, along with recommendations from the EDC.

Mr. Weinhagen discussed how the EDC interacted with the document and developed priority projects. He provided further comment on how the site visits were conducted, the data was aggregated and the report was developed. He commented that the implementation phase would be a separate phase independent of the report and formal program. He then reviewed the key findings within the report.

Commissioner Holmes indicated that the priority projects within the implementation plan were not taking the recommendations into consideration.

Mr. Weinhagen stated that one amenable solution would be to approve the report, but remove the recommendations section on pages 26 and 27.

Commissioner Wicklund agreed that the priorities needed further discussion. However, he also understood that staff wanted the document accepted. He looked forward to having a future discussion regarding the details behind the priorities.

Executive Director Hutmacher clarified the scope of work that was requested from the Chamber of Commerce. It was noted that the Chamber was to create a report and not an implementation plan. She indicated that the key findings within the plan point to the need for transit and skilled workers. She believed it would be reasonable to accept the document omitting pages 26 and 27 as this would allow the Council to address the implementation plan separately.

Commissioner McClung agreed with this recommendation. He understood that the recommendations within the report did not have to be implemented and that further discussion was needed.

MOTION: **EDA Commissioner Wicklund moved and EDA Commissioner McClung seconded a motion to receive the final draft of the Arden Hills Business Retention and Expansion Program Report from the St. Paul Area Chamber of Commerce.**

Commissioner Holmes expressed her concern again and stated that she did not believe that the three recommendations would help the businesses in Arden Hills. She stated that the City did not have control over getting the A-Line to expand within the community. She provided further comment on the priorities that the City did and did not have control over.

Commissioner Wicklund believed that the Council could receive the document whether or not the City had control over these recommendations.

The motion carried 3-1 (Holmes opposed).

EDA President Grant requested further comment on the priorities within the City's control.

Commissioner Holmes understood that the Council would be discussing staff workloads later this evening during the work session. For this reason, she questioned if the site visits could be conducted by the EDC.

Executive Director Hutmacher stated that this would depend on what other issues staff was managing, and how TCAAP progressed. It was her opinion that the City could achieve all three of the priorities within the year, with the assistance of the Chamber of Commerce. She commented that one other issue staff would have to address in the near future would be the 2018 Comprehensive Plan.

EDA President Grant proposed that the items be prioritized by the Council. His initial thought was that Item 1 had a high priority, Item 2 had a medium priority and Item 3 was a low priority.

The Council was in agreement with this suggestion.

Commissioner Wicklund asked how the City would be conducting the site visits.

Executive Director Hutmacher stated that she was typically the point person; however, this work could also be completed by Greater MSP or the Chamber of Commerce. She wanted to see the City piggyback on their site visits whenever possible.

Commissioner Wicklund questioned what the preferred outcome was for a business visit in Arden Hills.

Executive Director Hutmacher explained that her number one goal for a business visit was to develop a relationship. This would mean that the business owner would have a name and a face at City Hall to contact with future expansion requests, questions or concerns. She indicated that data gathering was also important. This includes information such as the number of employees, if the business is hiring and what type of skilled workforce needs they have.

Commissioner Wicklund asked how data gathering and knowledge of expansion plans help staff to do their job.

Executive Director Hutmacher stated that data collection helped the City long-term. She discussed the situation that arose with Smiths Medical.

Commissioner Wicklund liked the priority one project so long as metrics were included. He wanted to see targets set for the number of visits that would be conducted.

Executive Director Hutmacher indicated that the goal for this year would be to conduct six to eight visits.

Commissioner Wicklund inquired how staff would determine if the site visits were successful.

Executive Director Hutmacher did not have an easy metric to determine the success. She reported that staff's key goals were to establish relationships and understand the local business community.

EDA President Grant was in favor of the Council holding a goal setting session in the future. He understood that further discussion would be needed to address the priorities.

MOTION: **EDA President Grant moved and EDA Commissioner McClung seconded a motion to approve the three recommendations within the implementation plan. The motion carried unanimously (4-0).**

4. EDA COMMISSIONER COMMENTS

EDA President Grant understood that Jonathan Weinhagen served on the Mounds View School Board. He asked if the School Board was aware of the needs of TCAAP.

Mr. Weinhagen reported that the school district was following the TCAAP development very closely and reported that the development would not require any new schools.

5. ADJOURN

MOTION: **EDA President Grant moved and EDA Commissioner McClung seconded a motion to adjourn the Economic Development Authority meeting. The motion carried unanimously (4-0).**

EDA President Grant adjourned the special Economic Development Authority meeting at 6:53 p.m.

Jill Hutmacher
Executive Director

David Grant
EDA President



DATE: April 25, 2016

TO: EDA Chair and Commissioners
Jill Hutmacher, EDA Executive Director

FROM: Sue Iverson, EDA Treasurer
Dave Perrault, Finance Analyst

SUBJECT: 2017 Budget Calendar

Background/Discussion

The EDA is a blended component unit of the City of Arden Hills which makes EDA Funds Special Revenue Funds of the City. Annually we are required by the State to set budgets for the City’s General Fund and all Special Revenue Funds (which includes all the EDA Funds).

These EDA Funds are:

- EDA General Fund
- EDA Revolving Loan Fund
- EDA TIF District #2 Round Lake
- EDA TIF District #3 Cottage Villas
- EDA TIF District #4 Presbyterian Homes

Discussion

In order to officially start the budget process, a budget calendar needs to be approved by the council. The draft budget calendar is attached for Council review and approval.

Council Action

A motion to approve the 2017 Budget Calendar as presented.

Attachment

Attachment A: 2017 Budget Calendar

CITY OF ARDEN HILLS
2017 BUDGET CALENDAR

April 25, 2016	City Council Approval of Budget Calendar.
April 26, 2016 – June 03, 2016	Department Heads Prepare 2017-2021 CIP requests and background material.
June 03, 2016	Department head Submit CIP Requests to Finance Department.
June 6, 2016 –June 10, 2016	City Administrator and Finance Director review Department CIP Requests and confer with Departments.
June 17, 2016	2017-2021 CIP is drafted and distributed to City Council for review.
June 20, 2016	City Council Work Session to discuss 2017 Operating Budget parameters and 2017-2021 CIP.
June 21, 2016	Forms Distributed to all Department Heads for 2017 Operating Budget.
June 21, 2016 – July 15, 2016	Department Heads Prepare Budgets and Background Material.
July 15, 2016	Department Heads Submit Budget Requests to Finance Department.
July 18, 2016 – August 5, 2016	City Administrator and Finance Director review Department Budgets and Confer with Departments.
August 12, 2016	Finance Department completes Preliminary Revenue Estimates.
August 19, 2016	City Administrator Budget is drafted for Presentation to Council at Work Session.
August 29, 2016	City Council Work Session to discuss Preliminary 2017 Budget.
September 9, 2016	City Administrator’s recommended Preliminary 2017 Budget distributed to the City Council.
September 12, 2016	City Council adopts the Preliminary 2016 Property Tax Levy (Payable 2017)
September 12, 2016	Council Certifies date for public (TNT) hearing and continuation hearing (if necessary) to county.
September 30, 2016	Finance Director submits preliminary 2016 Property Tax Levy (Payable 2017) to County for certification.
Mid-November	Truth in Taxation Notices and Public Hearings Schedule distributed by County.
Early December	Public Hearing for Budget and Levy consideration.
Mid-December	Continuation Hearing, Approval of Budget and Certification of Property Tax Levy for submission to County.
Late December	Finance Director Submits final Levy to County and prepares Final Budget Document.

CITY OF ARDEN HILLS
2017 BUDGET CALENDAR

